



PRESS RELEASE

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In January 2014, the City of Sheboygan released a Request for Proposals (RFP) for parties interested in the adaptive re-use of the former Armory with a submission deadline of October 31, 2014. The RFP was mailed to 54 potential developers, agencies, and nonprofits. In addition, the Sheboygan County Economic Development Corporation completed a media blast to over 1,200 developers across the county. Six monthly open houses were held with each date being published in the Sheboygan Press. Twelve people attended these open houses. City staff met on site with representatives from the Wisconsin Historical Society during the process to determine if the property was eligible for Historic Preservation Tax Credits. It was determined that the building would not qualify for this funding. In July, 2014, the City and its partners hosted a Developer's Summit and toured approximately 10 potential developers through the building. City officials were aggressive over the past ten months to work with interested parties to restore and preserve the property. The facility, being constructed in 1942, is in need of substantial improvements to address the inefficient heating systems, building exterior improvements, and general maintenance. Costs to heat the facility to eliminate frozen pipes are about \$20,000 per year and electrical costs are about \$3,200 per year.

Two proposals were received through the RFP process. SEAS (Sailing Education Association of Sheboygan, Inc.) submitted a proposal to utilize a portion of the armory property to serve as the home and maintenance facility for the Association's fleet of boats, their administrative offices, as well as an education area that would be available for community use. Under the proposal, SEAS will fund the demolition of the current building provided the City completes the lead and asbestos abatement, and they would be transferred the eastern portion of the property to serve as the organization's headquarters. Under this plan, the remaining parcel of land will be available for a further development site.

The second proposal received was from JD Investment Partners, Inc. to construct up to 140 market rate multi-family units, provided the City demolishes the Armory Building and excavates a basement for their use as underground parking. This option proved to be too costly for the City.

After further negotiations with SEAS, the final agreed upon offer is to sell the Municipal Armory Building and eastern portion of the property for \$1. Under the agreement, SEAS will demolish the armory building on or before June 1, 2015 and start construction of their state of the art educational and office space by April 1, 2016. The City of Sheboygan shall be responsible for abating the asbestos and lead from the property. Sheboygan County's EPA Brownfield Assessment grant will assist with preparation of a Phase 1 Environment Site Assessment. Should the Buyer fail to commence construction by said date, the Property shall revert back to the City.

SEAS, is a non-profit organization dedicated to marine education and making boating accessible to the greater Sheboygan area. Their programming includes sailing lessons for those with disabilities, powerboat training, affordable

boat rentals, as well as maritime history and education programs in the offseason. The Association includes the established programs of Sail Sheboygan, which hosts many high-level, national and international regattas, the Sheboygan Youth Sailing Club, which has been teaching the community sailing for over 25 years and the Sheboygan Sea Scouts- Ship 50, a venturing program of the Boy Scouts of America for young men and women who are ages 14 -21.

“We really looked at the possibility of trying to save the Armory. I love the old building too and enjoyed the Harlem Globe Trotters, Jesus Christ Superstar, Wishbone Ash, and Black Oak Arkansas, not to mention the circus there. You would need to put in something substantially north of \$1M to get the building to the point where you could possibly afford to maintain and operate it. The HVAC, windows, doors and roof all need to be replaced. When you add the cost of repairing the cracking walls, broken glass block and adding some sort of insulation the project starts approaching \$2M. Our proposal offers appealing and fresh educational and experiential opportunities to Sheboygan residents and visitors while providing further space for new development”, explained Leslie Kohler, SEAS Chairman.

According to Kohler, the new SEAS building will seek to incorporate materials salvaged from the Municipal Armory, such as the gymnasium flooring, wood from the remaining bleachers, and the cedar closets. The flagpole is to be relocated on the SEAS development site and concrete is to be crushed and re-used. Classroom space in the new building will be available to other organizations in the Sheboygan area. The work areas of the building will include a repair shop and storage for boats, sails, equipment and tools. Classes will be held for the community in boat building, maintenance, sail repair, and handling. SEAS will also be offering STEM (Science, Technology, Engineering and Mathematics) education opportunities during the non-boating months, such as building ROV’s (Remotely Operated Vehicles) in conjunction with Spaceport Sheboygan to compete in ROV competitions. These types of activities are part of building a Science and Technology Exploratorium on Sheboygan’s waterfront.

“The proposed building could serve as a key facility in the establishment of a National Marine Sanctuary in the mid-lake region of Lake Michigan and the Port of Sheboygan” according to Chad Pelishek, Director of Planning & Development.

The City is continuing to work with JD Investment Partners on the westerly portion of the property for market rate multi-family units of residential housing.

For more information on this press release, contact Chad Pelishek, Director of Planning and Development (City of Sheboygan: 920.459.3383) or Leslie Kohler, SEAS Chairman (seasheboygan.com 920.395.3638)

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